

NA-2011-25-6

YORK COUNTY NATURAL GAS AUTHORITY 231631

979 WEST MAIN STREET
P. O. BOX 11907
ROCK HILL, SOUTH CAROLINA 29731-1907

TELEPHONE (803) 329-5255

FAX (803) 329-0998

August 16, 2011

Jocelyn G. Boyd, Attorney, CPM
Chief Clerk and Administrator
Public Service Commission of South Carolina
PO Drawer 11649
Columbia, SC 29211

Re: Piedmont Natural Gas

Dear Ms. Boyd:

Last month we learned that Piedmont Natural Gas was serving our customer, the Carowinds Amusement Park. We learned this from reading a FERC order. Piedmont obtained FERC authorization for this service by, in part, representing that the service was under the PSC's jurisdiction. We do not believe that is the case because YCNGA has an exclusive service territory in York County.

We filed the enclosed motion with the FERC on August 12. We asked FERC to rescind its order. The pleading explains what has happened, including the fact that this all began in the mid-1980's and Piedmont withdrew its PSC request to provide service in our area. If you have any questions, please do not hesitate to contact me.

Sincerely,



James A. Heckle
President and Chief Executive Officer

Enclosure

cc: John Flitter, Director
Natural Gas Division
State of South Carolina
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, S.C. 29201

RECEIVED

PSC SC
MAIL / DMS

Boyd, Jocelyn

From: Jill Mikels [jill.mikels@ycnga.com]
Sent: Wednesday, August 17, 2011 3:53 PM
To: Boyd, Jocelyn; JFlitter@regstaff.sc.gov
Cc: Easterling, Deborah; SHauptm@regstaff.sc.gov; jim.heckle@ycnga.com
Subject: York County Natural Gas Authority
Attachments: PSC letter0001.pdf; YCNGACP11-495.pdf

Importance: High

Please find attached our letter and enclosure for your review.

Thank you,

Jill Mikels



Jill Mikels, SPHR
Director of Human Resources
& Public/Government Relations

979 West Main St
Rock Hill, SC 29731

jill.mikels@ycnga.com
www.ycnga.com

tel: 803.323.5341
mobile: 803.242.8033
fax: 803.323.5412

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Piedmont Natural Gas Company

)

Docket No. CP11-495-000

**MOTION TO INTERVENE OUT-OF-TIME,
REQUEST FOR REHEARING OR, IN THE ALTERNATIVE,
MOTION FOR CLARIFICATION OF
YORK COUNTY NATURAL GAS AUTHORITY**

Pursuant to Rules 212, 214, and 713 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. § 385.212, -.214, and -.713 (2011), the York County Natural Gas Authority (“YCNGA”) submits its Motion to Intervene Out-of-Time, Request for Rehearing or, in the Alternative, Motion for Clarification in the above-captioned proceeding. In support hereof, YCNGA states as follows:

I. SERVICE AND COMMUNICATIONS

Service in this proceeding should be made upon and communications should be directed to the following persons:

John P. Gregg
Bethany Pribila
Miller, Balis & O’Neil, P.C.
Twelfth Floor
1015 Fifteenth Street, N.W.
Washington, DC 20005
202-296-2960
202-290-0166 (fax)
jgregg@mbolaw.com

James Heckle
President
York County Natural Gas Authority
P.O. Box 11907
Rock Hill, SC 29731-1907
(803) 329-5255
(803) 329-0998 (fax)
Jim.heckle@ycnga.com

II. MOTION TO INTERVENE

YCNGA was created by Act of the South Carolina General Assembly in 1954.¹ It is a political subdivision of South Carolina that operates as a not-for-profit corporation. YCNGA's service area includes all of York County and a portion of Cherokee County, South Carolina. YCNGA currently has over 1,300 miles of distribution mains and serves approximately 56,000 customers. YCNGA's rates are set by a ten member board appointed by the governor.

On June 3, 2011, Piedmont Natural Gas Company, Inc. ("Piedmont"), pursuant to Section 7(f) of the Natural Gas Act ("NGA"), 15 U.S.C. § 717(f), and Sections 157.6, 157.7, and 157.14 of the Commission's regulations, filed with FERC an Abbreviated Application for Service Area Determination ("Application"). The Application concerned Piedmont's service to the Carowinds Theme Park, a 122-acre amusement park located on the border between Charlotte, North Carolina and Fort Mill, South Carolina ("Carowinds"). In its Application, Piedmont sought a service area determination that covers its Charlotte area distribution system along the adjacent South Carolina border, specifically including the Carowinds facilities in Fort Mill, South Carolina, as well as the necessary surrounding facilities, service lines, and meters, which is in York County, South Carolina.

¹ Sections 1 and 2 of Act 959 of 1954 (of the South Carolina legislature), as last amended by Act 323 in 2010, states in pertinent part: "Section 1. There is created a body corporate and politic of perpetual succession to be known as the York County Natural Gas Authority.... To fulfill its functions, the authority may purchase, lease, acquire, build, construct, maintain, and operate natural gas distribution systems and transmission lines within the service area defined in this act. Section 2. The service area of the authority includes all of York County, including each municipality within York County and that portion of Cherokee County and each municipality in it beginning at the intersection of the Broad River, the York County line, and the Cherokee County line; extending in a northwesterly direction along the center line of the Broad River to its intersection with the North Carolina state line; then east along the common boundary of North Carolina and Cherokee County to the York County line."

Good cause exists to accept this motion to intervene out-of-time.² YCNGA was not served with the Application and was unaware of the notice published on June 6, 2011. Piedmont does not supply gas to YCNGA or to Patriots Energy Group (a joint action agency whose purpose is to supply natural gas service to YCNGA and its other members³), so YCNGA had no reason to take notice of Piedmont's Application.

Counsel for YCNGA first became aware of Piedmont's Application during a routine review of Commission orders after the Commission issued the "Order Determining Service Area" on July 14, 2011 in the above-captioned proceeding.⁴ YCNGA's participation is necessary to correct the record in this proceeding. Piedmont's Application contains material misrepresentations as to: (1) YCNGA's service territory (YCNGA is already serving Carowinds in South Carolina); and (2) Piedmont's representations and obligations under applicable regulations.

YCNGA is adversely affected by the Application and has a direct and substantial interest in this proceeding that cannot be adequately represented by any other party. No other parties have intervened. Therefore, YCNGA should be permitted to intervene because its participation would serve the public interest by assisting the Commission in avoiding legal error. As shown below, the July Order is unlawful.

² 18 C.F.R. § 385.214(d) (2011). See e.g., *Louisiana Pub. Serv. Comm'n v. Entergy Corp.*, 132 FERC ¶ 61,133 at P 10 and n. 18 (2010) (suggesting that had movant intended to present new evidence that would aid in the Commission's decision-making, late intervention may have been granted); *Black Oak Energy, L.L.C.*, 131 FERC ¶ 61,024 at P 30 (2010) (granting a motion to intervene out-of-time filed with a request for rehearing or clarification); *Nevada Power Co. and Sierra Pacific Power Co.*, 100 FERC ¶ 61,273 at PP 5-6 (2002) (granting a motion to intervene out-of-time filed with a request for rehearing).

³ Patriots Energy Group is a joint action agency whose members include York County Natural Gas Authority, Chester County Natural Gas Authority, and Lancaster County Natural Gas Authority.

⁴ *Piedmont Natural Gas Co., Inc.*, 136 FERC ¶ 62,037 (2011) ("July Order").

III. REQUEST FOR REHEARING

A. Specification Of Error

1. The Commission erred by granting Piedmont's NGA Section 7(f) determination and in finding that "Piedmont is the only LDC providing service to the subject customers and is the only provider of natural gas distribution service in the area. Therefore, no other neighboring distribution company would be affected by the requested service area determination."⁵ The Commission erred because its decision is based on Piedmont's factual misrepresentations and a record that was incomplete. The evidence that YCNGA presents herein will correct the material misrepresentations proffered in Piedmont's Application and relied upon by the Commission in reaching its decision. If this evidence had been available to the Commission prior to the issuance of the July Order it would have yielded a different result. The Commission erred by granting an NGA Section 7(f) service area determination that includes an area already being served by another LDC with exclusive service area rights under state law.
2. The Commission erred by granting Piedmont an NGA Section 7(f) service determination where its facilities, rates and service are not regulated in the state where the facilities are located.

B. The Commission Erred By Granting a Service Territory Under NGA Section 7(f) When Another LDC Already Serves that Territory

1. The Commission Erred by Granting an Application Containing Material Misrepresentations

In its Application, Piedmont not only failed to inform the Commission that YCNGA serves the subject end user but stated the opposite: "Piedmont is the only LDC that provides service to these customers."⁶ That statement is false. Also, the reference to more than one customer is confusing as the subject facilities serve a single customer—Carowinds. Piedmont's statement is all the more perplexing given that Piedmont applied

⁵ July Order at p. 3.

⁶ Application at p. 6.

for a Section 7(f) service determination in 1984 but withdrew the application after YCNGA protested on the basis of its exclusive service territory in York County.⁷

The Commission considers four factors when determining whether to grant a Section 7(f) service area determination.⁸ One factor is whether the requested service area determination will affect other LDCs providing service in the same area. This is for the self-evident reason that the Commission does not desire to create an unnecessary overlap in distribution service through the Section 7(f) process.⁹ Piedmont told the Commission (at p. 6):

Fourth, granting the requested service area determination will not have a significant effect on any neighboring distribution companies. Piedmont is the only LDC that provides service to these customers. A public entity, the City of York, provides some service in areas adjacent to the proposed service areas in South Carolina. However, no other LDC is likely to be affected by the proposed service area designation.

Piedmont's assertions are wrong. As an initial matter, there is no public entity known as the "City of York" that provides natural gas service. YCNGA is the local distribution company whose service territory extends along the border between North Carolina and South Carolina, including the area where Carowinds is located. Pursuant to an act of the South Carolina legislature, YCNGA's service territory includes all of York County, South Carolina, including the location of the facilities subject to the Application.¹⁰ All of

⁷ "Notice of Piedmont Natural Gas of Withdrawal of its Application for Determination of Service Area," Docket No. CP85-24 (filed October 18, 1985). In Docket No. CP85-25, Piedmont made a substantially identical request concerning Lancaster County, which also was withdrawn. The related request to the South Carolina Public Service Commission for permission to serve in York County also was withdrawn (*see infra* note 13).

⁸ Application at p. 5. *See also infra* n.20.

⁹ See Section III., B., 2 below.

¹⁰ *See supra* n. 1.

the Carowinds Theme Park in South Carolina is in YCNGA's service territory. This service territory is exclusive to YCNGA under South Carolina law.¹¹

YCNGA currently provides service to Carowinds in York County. YCNGA provides service to buildings adjacent to the structures subject to the Application. Attachment A to this pleading is an annotated version of Exhibit F to the Application. Attachment B to this pleading is YCNGA's own diagram of the existing service it renders to Carowinds. When Piedmont submitted Exhibit F, it did not identify the structures on its diagram that are served by YCNGA. The diagram made it appear that the structures were not connected to natural gas distribution lines when in fact YCNGA serves them.

Further, "other entities," namely YCNGA, most certainly will be affected by the proposed service area designation. The effect is significant and adverse, despite the boilerplate statement in the Application to the contrary. The structures served by Piedmont should be served by YCNGA because they are in YCNGA's exclusive service territory.

Finally, YCNGA also believes that Piedmont misrepresented its own authority under South Carolina law. Piedmont told the Commission that its service in Fort Mill, South Carolina is regulated by the Public Service Commission of South Carolina (SCPSC). YCNGA is not aware of any service Piedmont conducts in Fort Mill (which is in York County) other than what was disclosed in this proceeding.¹² In fact, Piedmont

¹¹ Section 4(k) of YCNGA's enabling act (*see supra* n. 1) authorizes YCNGA "to acquire, through the exercise of eminent domain, any existing gas distribution system, anywhere within its service area. . . ."

¹² Piedmont does not disclose service to Fort Mill or York County in its SEC Form 10-K for 2010. Instead, it states (p. 1): "In the Carolinas, our service area is comprised of numerous cities, towns and communities. We provide service to Anderson, Gaffney, Greenville and Spartanburg in South Carolina and Charlotte, Salisbury, Greensboro, Winston-Salem, High Point, Burlington, Hickory, Indian Trail, Spruce Pine, Reidsville, Fayetteville, New Bern, Wilmington, Tarboro, Elizabeth City, Rockingham and Goldsboro in North Carolina. In North Carolina, we also provide wholesale natural gas service to the cities of Greenville, Rocky Mount and Wilson."

attempted in 1984 to serve York County but withdrew its application at the SCPSC when faced with YCNGA's exclusive service territory.¹³ YCNGA cannot locate any authorization issued to Piedmont since.¹⁴

The Commission erred because its decision is based on Piedmont's factual misrepresentations and a record that was incomplete.¹⁵ The fact of YCNGA's service territory, as well as Piedmont's lack of authority under South Carolina law, now corrects the material misrepresentations proffered in Piedmont's Application and relied upon by the Commission in reaching its decision. If this evidence had been available to the Commission prior to the issuance of the July Order it would have yielded a different result.¹⁶ In its Application, Piedmont states that it only "recently learned" of the facilities it constructed in York County; it does not state how long it has been serving in YCNGA's service territory. Inasmuch as such service preceded the Commission's erroneous service area determination in the July Order, such service was unlawful. The material

¹³ "Order Closing Docket," *In re Application of Piedmont Natural Gas Company, Inc. for a Certificate of Public Convenience and Necessity to Provide Gas Service to Certain Portions of Lancaster and York Counties*, Order No. 86-137, Docket No. 84-530-G (Feb. 5, 1986)(attached as Attachment C).

¹⁴ Piedmont would have had to make application under Section 103-104 of the SCPSC regulations, which provides in pertinent part: "No public utility supplying gas to the public shall hereafter begin the construction or operation of any gas facility, or of any extension thereof, without first obtaining from the commission a certificate that public convenience and necessity requires or will require such construction or operation; such certificate to be granted only after notice to ORS, other interested gas utilities and to the public, and after due hearing;..." YCNGA has not received notice of such an application.

¹⁵ *See Dolcin Corp. v. FTC*, 219 F.2d 742, 755 (D.C. Cir. 1954) ("Since . . . a federal court of appeals cannot properly sustain a decision of an administrative agency or board unless there is substantial evidence on the record as a whole to support the agency's findings, it follows that the agency or board itself cannot properly decide a case by considering only a part of the evidence in the record before it. A fortiori, it cannot, subject to the limitation discussed below, properly decide a case on a record which is incomplete because newly discovered evidence of competent, relevant, material, non-cumulative character not obtainable by the exercise of due diligence during the tribunal's hearing is still to be adduced. It follows from the foregoing that a court cannot properly -- as this court has assumed to do in the instant case -- enforce an agency decision based upon a record which is incomplete because such newly discovered evidence has not yet been considered.")

¹⁶ *See id.* ("There is but one limitation upon the duty of a court or commission to reopen for newly discovered competent, relevant, material, non-cumulative evidence, to wit, that evidence must be of such character as will probably bring about a result different from that reached by the tribunal without such evidence.")

misrepresentations in Piedmont's Application are reason enough to revoke this service area determination.¹⁷ Accordingly, YCNGA respectfully requests the Commission grant its request for rehearing and revoke the July Order determining Piedmont's service area.

2. The Commission May Not Grant an NGA Section 7(f) Service Area Determination That Includes An Area Already Being Served By Another LDC With Exclusive Service Area Rights Under State Law

Under long-standing Commission policy, service area determinations under Section 7(f) of the NGA are necessary where the natural gas company is engaged primarily in the local distribution of natural gas but is subject to the Commission's NGA jurisdiction because its facilities cross state lines.¹⁸ The purpose of Section 7(f)(1) of the NGA is to enable such natural gas companies to enlarge or expand their distribution facilities in the designated service area without prior Commission approval.¹⁹

When deciding whether to grant a request for a service area determination, it is well established that the Commission considers four key factors: (1) whether state or local agencies regulate the company's service rates; (2) whether the company has an extensive transmission system; (3) whether authorization of the service area will have a significant effect on neighboring distribution companies; and (4) the extent to which the company makes sales for resale.²⁰

The Commission concluded in its Order (at p. 3):

¹⁷ See *PacificGas Transmission Co.*, 41 FERC ¶61,019 (1987) (certificate not issued when application was missing information); *Cornerstone Pipeline Co.*, 51 FERC ¶62,049 (1987)(application rejected as deficient when missing information).

¹⁸ See, e.g., *Kansas Power and Light Co.*, 47 FERC ¶ 61,331 (1989).

¹⁹ 15 U.S.C. § 717f(f)(1).

²⁰ See e.g., *City of Toccoa, Georgia*, 125 FERC ¶ 61,048 at P 14 (2008); *EnergyNorth Natural Gas, Inc.*, 106 FERC ¶ 61,318 at P 10 (2004); *MDU Resources Group, Inc.*, 100 FERC ¶ 61,304 at P 6 (2002); *Interstate Utilities Co.*, 73 FERC ¶ 61,043, at 61,107-108 (1995).

Fourth, Piedmont is the only LDC providing service to the subject customers and is the only provider of natural gas distribution service in the area. Therefore, no other neighboring distribution company would be affected by the requested service area determination.

The Commission obviously erred. It did not have the facts. It is a straightforward and inescapable finding for the Commission to conclude that service will be “enhanced” when there is not service at present.²¹ That is not the case here where YCNGA already is providing distribution service to the affected customer.

The Commission recognizes that its grant of an NGA section 7(f) service area determination is not the grant of exclusive rights.²² While the Commission may permit two natural gas companies to share a single service area, the Commission does not permit an actual overlap in distribution service within the areas being served.²³ The Commission has conditioned Section 7(f) determinations so that they do not infringe on pre-existing state-sanctioned service territories.²⁴ Moreover, Section 7(f)(2) of the NGA gives state commissions exclusive jurisdiction over transportation by holders or service area determinations to ultimate consumers in those service areas. The Commission may not

²¹ *E.g., Cincinnati Gas & Elec. Co.*, 117 FERC ¶ 62,074 (2006).

²² *Louisville Gas and Electric Co.*, 120 FERC ¶ 62,031, at p. 64,167 (2007).

²³ *Wisconsin Elec. Power Co. et al.*, 81 FERC ¶ 61,050, at p. 61,258 (1997) (acknowledging that two applicants will share a service area, but noting there will be no overlap in distribution service to the communities being served); *Kansas Power and Light Co.*, 47 FERC ¶61,331 at 62,148 (1989) (“KPL will be the only company providing retail gas service in the specific areas requested. While other local distributors may be authorized to operate in portions of areas within the boundaries of applicant's service area, KPL expressly disclaims any intention of offering service in such areas.”); *Arkansas Oklahoma Gas Corp.*, 33 FERC ¶ 61,197 (1985) (“AOG, however, is not proposing to serve any customers served by those pipelines”). *See also Jo-Carroll Energy, Inc., et al.*, 117 FERC ¶ 62,2651, at p. 64,705 (2006)(no service provided in rival service areas).

²⁴ *Washington Gas Light Co.*, 28 F.P.C. 753, 758 (1962).

interfere with any state service commission resolution of service area boundary disputes.²⁵

Had the Commission been given the correct facts by the applicant, the Commission would not have granted the request for a service area determination because the area already is in the exclusive service territory granted YCNGA by the state of South Carolina. On the basis of a misleading application, the Commission erred by granting the service area jurisdiction that is in direct conflict with the exclusive service territory granted to YCNGA by the state of South Carolina.

C. The Commission Erred by Granting an LDC a Section 7(f) Service Determination Where the Facilities, Rates and Service Are Not Regulated in the State Where the Facilities Are Located

The first of the Commission's four Section 7(f) criteria is whether state or local agencies regulate the company's service rates. As noted above, Piedmont told the Commission that its service was authorized by the South Carolina Public Service Commission, but there is no such authority. Thus, Piedmont did not meet the Commission's first criterion.

In its application, Piedmont actually stated that the retail rates for Carowinds were approved by the North Carolina Utility Commission. At the same time, Piedmont stated that it served Carowinds through three meters located in South Carolina.²⁶ Thus, it appears that (1) Piedmont serves South Carolina meters with North Carolina rates because (2) it lacks authority to charge its South Carolina rates in York County where it has no authority to serve.

²⁵ *Wisconsin Elec. Power Co. et al.*, 81 FERC ¶ 61,050, at p. 61,258 (1997); *Indiana Utilities Corp.*, 59 FERC ¶ 61,049 (1992).

²⁶ See Application at p. 3.

YCNGA is not aware of any Section 7(f) determination for service in one state where that service is regulated in another state. In fact, the reverse appears to be the requirement. Where service is rendered in two adjoining states, the LDC has service certificates in both jurisdictions.²⁷ Piedmont's application made it appear that this was true, but YCNGA does not believe that it is in fact the case as explained above. Accordingly, the Commission should have rejected the Application and erred by granting the service area determination.²⁸

IV. ALTERNATIVE MOTION FOR CLARIFICATION

If the Commission does not grant YCNGA's rehearing request then, in the alternative, YCNGA seeks clarification that the July Order granting Piedmont the requested service area determination is limited to existing service from the lines identified in Piedmont's Application. Piedmont sought a service area determination "that covers Piedmont's Charlotte area distribution system along the adjacent South Carolina border, specifically including the Carowinds facilities in Fort Mill, South Carolina, as well as the necessary surrounding facilities, service lines, and meters."²⁹ This generalized statement does not match up with Piedmont's Application and the service area map provided as Exhibit F to the Application, which included a portion of YCNGA's service territory. Taken together, the service area determination request was

²⁷ *E.g., Washington Gas Light Co.*, 28 F.P.C. 753, 758 (1962). In many recent cases there is no service rendered in the adjacent state—there are only connected facilities operated in the neighboring state. *E.g., Indiana Utilities, Wisconsin Electric, Louisville.*

²⁸ Unlike a Section 7(f) determination, a state may grant exclusive service area rights. South Carolina has done that here in establishing YCNGA. *See supra* n. 11. If there were to be a boundary dispute here, it is not clear that the SCPSC would have jurisdiction if the service being performed by Piedmont is regulated in North Carolina. That circumstance is created only by virtue of the Commission's service area determination. The Commission erred in making that determination if in fact these are the facts.

²⁹ Application at p. 4. The service area was also shown on Exhibit F, which is reproduced as annotated in Attachment A hereto.

ambiguous as to the exact lines, meters and facilities included in Piedmont's request for service area determination. The July Order determining Piedmont's service area provides no clarification. Therefore, YCNGA respectfully requests that the Commission clarify that the Piedmont service area is no greater than the existing Piedmont service on existing Piedmont lines, facilities, and meters.

V. POTENTIAL FOR SETTLEMENT

When YCNGA learned of the July Order, it investigated the engineering at Carowinds and met with its customer. It then contacted Piedmont through legal counsel. YCNGA offered to purchase the Piedmont distribution lines that are in YCNGA's service territory (Attachment D). Efforts to resolve this matter prior to the rehearing date have been hampered by the vacations, illness, and even jury duty of the principals. YCNGA must file this rehearing request to preserve its legal rights but will withdraw it upon a mutually agreed resolution of the matter.

VI. CONCLUSION

For the foregoing reasons, York County Natural Gas Authority respectfully requests the Commission grant its request for rehearing and rescind the July Order determining Piedmont's service area.

YCNGA respectfully requests that that the Commission (i) grant it intervenor status in this proceeding, with all rights appropriate to that status; (ii) grant its request for rehearing as set forth herein and revoke the July Order determining Piedmont's service

area; (iii) in the alternative, grant its motion for clarification as set forth herein; and (iv) order other such relief as the Commission finds appropriate.

Respectfully submitted,

YORK COUNTY NATURAL GAS
ASSOCIATION

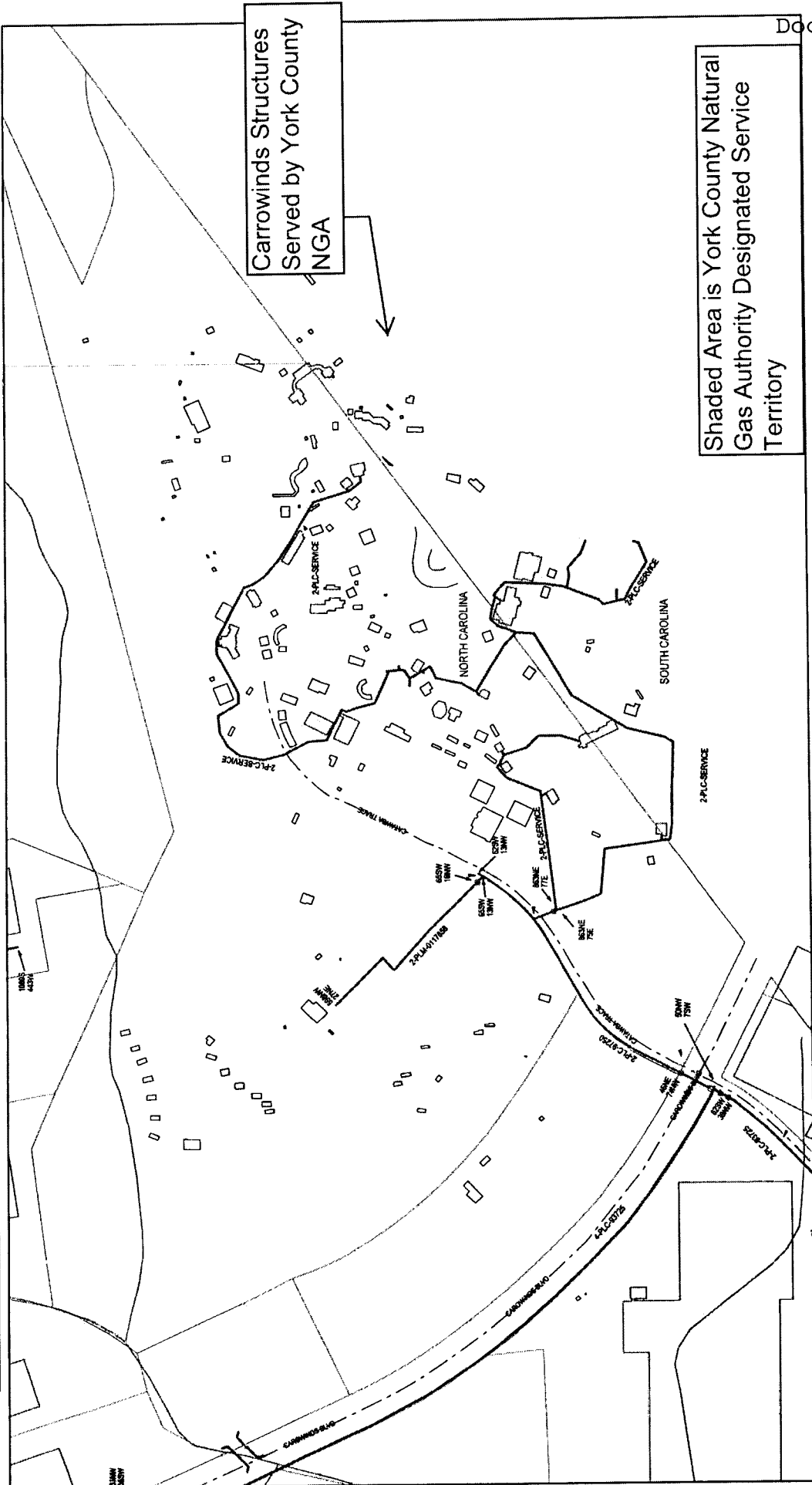
By: /s/ John P. Gregg

John P. Gregg
Bethany Pribila
Miller, Balis & O'Neil, P.C.
Twelfth Floor
1015 Fifteenth Street, N.W.
Washington, DC 20005
202-296-2960
202-296-0166 (fax)
jgregg@mbolaw.com
bpribila@mbolaw.com

Attorneys for York County Natural Gas
Authority

August 12, 2011

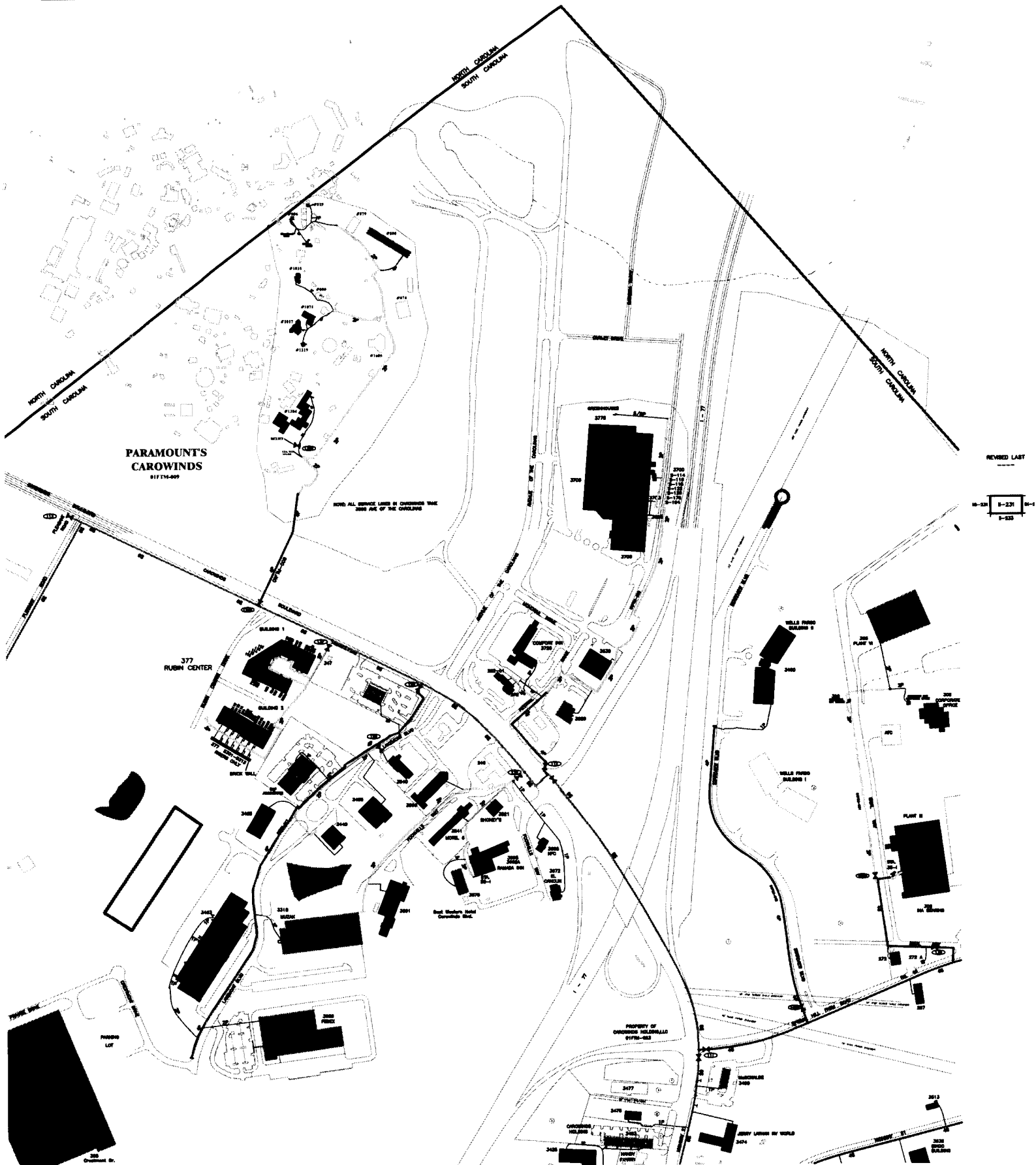
Annotated Exh. F to Piedmont Application



Carowinds

York County Natural Gas Authority
Diagram of Service to Carowinds

Attachment B
YCNGA Rehearing
Docket No. CP11-495



BEFORE

THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 84-530-G - ORDER NO. 86-137

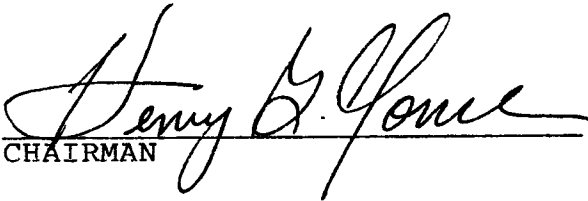
February 5, 1986

IN RE: Application of Piedmont Natural Gas Company,)
Inc. for a Certificate of Public Convenience) ORDER
and Necessity to Provide Gas Service to) CLOSING
Certain Portions of Lancaster and York) DOCKET
Counties.)

Piedmont Natural Gas Company, Inc. filed a Petition with the South Carolina Public Service Commission (the Commission) on December 11, 1984, requesting the Commission to grant the Company a Certificate of Public Convenience and Necessity to provide natural gas service into certain areas of Lancaster County, South Carolina and York County, South Carolina.

Subsequently, on January 21, 1986, Piedmont Natural Gas Company, Inc. requested that the Application in this matter be withdrawn. This request is hereby granted and this docket is hereby closed.

BY ORDER OF THE COMMISSION:


CHAIRMAN

ATTEST:


Executive Director

(SEAL)

YORK COUNTY NATURAL GAS AUTHORITY

979 WEST MAIN STREET
P. O. BOX 11907
ROCK HILL, SOUTH CAROLINA 29731-1907

TELEPHONE (803) 329-5255

FAX (803) 329-0998

August 5, 2011

VIA TELECOPIER

Thomas E. Skains
President & CEO
Piedmont Natural Gas Company, Inc.
Post Office Box 33068
Charlotte, NC 28233

Re: Service in York County, South Carolina

Dear Mr. Skains:

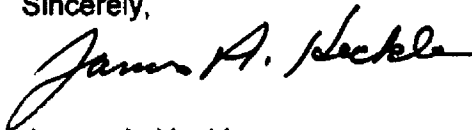
Our counsel has forwarded to us a FERC "Order Determining Service Area" in Docket No. CP11-495-000, issued on July 14, 2011, as well as Piedmont's application. The application shows that Piedmont is serving the Carowinds Amusement Park in Fort Mill, SC. This is within York County Natural Gas Authority's service territory.

I would propose that York County Natural Gas Authority purchase at net book value the Piedmont facilities that have encroached upon our service territory and serve Carowinds with a connection to those facilities from our existing system that serves another portion of the park in Fort Mill. Please apprise me of the cost of those facilities.

I hope that Piedmont will respect our exclusive service territory in the future. It covers all of York County and the portion of Cherokee County beginning at the intersection of the Broad River, the York County line, and the Cherokee County line, extending in a northwesterly direction along the center line of the Broad River to its intersection with the North Carolina state line; then east along the common boundary of North Carolina and Cherokee County to the York County line.

I have directed my counsel to file for rehearing of the FERC order on August 12. Preferably, we can resolve this matter prior and so inform the FERC.

Sincerely,



James A. Heckle
President and CEO

cc: Jane R. Lewis-Raymond, General Counsel (via telecopier)

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service compiled by the Secretary in this proceeding.

Dated at Washington, D.C., this 12th day of August, 2011.

By: /s/ Bethany Pribila

Bethany Pribila
Miller, Balis & O'Neil, P.C.
Twelfth Floor
1015 Fifteenth Street, N.W.
Washington, D.C. 20005
202-296-2960
202-296-0166 (fax)